MEMORANDUM

To:

Community Development Task Force (CDTF) Members

From:

Hallie Salem, Community Development Program Specialist

Date:

March 28, 2006

Subject:

Neighborhood Revitalization Strategy Area - Process and Working Map

Attached you will find an NRSA Working Map outlining the previous NRSA boundaries and the proposed NRSA boundaries for your review. The NRSA or Neighborhood Revitalization Strategy Area is generally an area with a high concentration of low-to-moderate income persons within the City. The area is geographically smaller that the LMI or Low-to-Moderate Income Area, and generally covers the oldest residential neighborhoods of the City with some exceptions.

The purpose of the NRSA is to provide increased flexibility for the use of Community Development Block Grant (CDBG) funds in meeting the following types of goals:

- * Economic Development For example, any job creation or retention activity undertaken within the NRSA is presumed to meet low-to-moderate income area benefit requirements. Therefore, businesses using economic development funds in the NRSA will not be burdened with the additional paperwork of tracking employee incomes.
- Housing For example, while housing programs in general must provide an overall low-to-moderate income benefit of 70 percent, only 51 percent or more of the units assisted within the NRSA must be occupied by low-to-moderate income persons.
- Public Services For example, public services carried out by a Community Based Development Organization (CDBO) in the NRSA are exempt from the administration cap.

Additionally, the department has used the delineation of the NRSA to concentrate homeownership and neighborhood revitalization activities.

HUD provides guidance on defining the NRSA:

- all areas within the NRSA boundaries must be contiguous;
- must be primarily residential, and
- must contain a percentage of low-to-moderate income residents that is equal to the "upper quartile percentage, determined to be 59.7 percent for the City of Lincoln. Meaning, at least 59.7 percent of persons in the NRSA must be LMI.

HUD provided the city with a list of all 2000 Census Block Groups and the percentage LMI in each block group. These block groups were put in descending order by percentage LMI and the upper quartile range identified. A map was made to identify block groups that were not

residential nor could be contiguous. Block groups, such as those covering portions of Arnold Heights, Union College, and Westfield Shoppingtown Gateway, for one or both of these reasons.

The determination was made by staff that additional block groups could be added to this area for the purpose of

- maintaining current activities in block groups where percentage LMI fell below the upper quartile from 1990 to 2000, but may still be vulnerable; and,
- addressing concerns in neighborhoods with an LMI percentage above 42 percent, contiguous to the area, with other risk factors*, and with worsening housing conditions or have the potential to be prime areas for redevelopment.

The map, therefore, preserved the existing NRSA boundaries, while adding block groups in South Salt Creak, Irvingdale, Antelope Park, University Place, and areas north of the North Bottoms and Clinton Neighborhoods.

The process for establishing the NRSA will be discussed at the April CDTF meeting. If you have questions, please contact me at hsalem@lincoln.ne.gov or 441-5543.

*Risk factors included concentration of: renters, persons who were racial and/or ethnic minorities, unemployment, persons living below poverty, persons living in overcrowded conditions, and housing stock built before 1940.